GOLDEN INDEPENDENCE MINING CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD ENDED MAY 31, 2021

AND MAY 31, 2020

(UNAUDITED)

Notice of No Auditor Review of Interim Financial Statements

Under National Instrument 51-102, Part 4 subsection 4.3 (3), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the unaudited condensed interim consolidated financial statements have not been reviewed by an auditor.

The accompanying condensed interim consolidated financial statement of Golden Independence Mining Corp. have been prepared by and are the responsibility of management.

These condensed interim consolidated financial statements for the six months ended May 31, 2021 have not been reviewed or audited by the Company's independent auditors in accordance with standards established by the Chartered Professional Accountants of Canada.

GOLDEN INDEPENDENCE MINING CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

		May 31, 2021 (Unaudited)		November 30, 2020 (Audited)
ASSETS				
CURRENT				
Cash	$	2,797,530	$	2,895,598
Amounts receivable		99,573		43,914
Prepaid expense		175,290		98,155
		3,072,393		3,037,667
EXPLORATION AND EVALUATION ASSET (Note 5)		8,792,347		1,873,323
	$	11,864,740	$	4,910,990
LIABILITIES				
CURRENT				
Accounts payable and accrued liabilities	$	461,296	$	401,730
SHAREHOLDERS' EQUITY				
SHARE CAPITAL (Note 6)		14,182,356		5,816,051
CONTRIBUTED SURPLUS		1,638,239		1,217,227
DEFICIT		(4,417,151)		(2,524,018)
		11,403,444		4,509,260
	$	11,864,740	$	4,910,990

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Note 1)
CONTINGENT LIABILITY (Note 10)
SUBSEQUENT EVENTS (Note 11)

Approved and authorized for issue on behalf of the Board on July 30, 2021

"Christos Doulis " Director

"Timothy Henneberry" Director

The accompanying notes are an integral part of these condensed interim consolidated financial statements

GOLDEN INDEPENDENCE MINING CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS
(Expressed in Canadian dollars) (Unaudited)

	Three months ended May 31, 2021	Three months ended May 31, 2020	Six months ended May 31, 2021	Six month ended May 31, 2020
EXPENSES				
Advertising and promotion	$ 321,537	$ –	$ 960,557	$ –
Consulting fees	113,500	–	152,886	–
Management fees	76,500	10,500	153,000	21,000
Office and miscellaneous	2,245	1,207	6,651	1,226
Professional fees	76,996	38,073	95,480	46,884
Rent	7,619	10,452	13,333	16,053
Transfer agent and filing fees	39,051	5,862	73,343	8,597
Travel and promotion	77	1,746	2,595	2,386
Share-based payments	213,528	–	435,288	–
NET LOSS AND COMPREHENSIVE LOSS	$ 851,053	$ 67,840	$ 1,893,133	$ 96,146
LOSS PER SHARE (basic and diluted)	$ (0.01)	$ (0.00)	$ (0.05)	$ (0.01)
WEIGHTED AVERAGE NUMBER OF COMMON SHARE OUTSTANDING	50,203,584	14,969,855	39,654,448	14,969,855

The accompanying notes are an integral part of these condensed interim consolidated financial statements

GOLDEN INDEPENDENCE MINING CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian dollars) (Unaudited)

	Common Shares					
	Number of Shares	Amount	Contributed Surplus	Subscription receivable	Deficit	Total
		$	$	$	$	$
Balance, November 30, 2019	14,969,855	1,070,819	188,736	–	(560,554)	699,001
Net loss for the period	–	–	–	–	(96,146)	(96,146)
Balance, May 31, 2020	14,969,855	1,070,819	188,736	–	(656,700)	602,855
Balance, November 30, 2020	33,287,434	5,816,051	1,217,227	–	(2,524,018)	4,509,260
Shares issued for cash, net of costs (Note 5)	11,168,000	2,732,715	88,000	–	–	2,820,715
Payment of Earn-In Option (Note 5)	5,022,500	2,360,575	–	–	–	2,360,575
Shares issued for management bonus (Note 7)	350,000	192,500	–	–	–	192,500
Shares issued for advisory fee (Note 5)	300,000	90,000	–	–	–	90,000
Shares issued in exercise of warrants (Note 5)	10,849,124	2,990,515	(14,276)	–	–	2,976,239
Share-based payments	–	–	347,288	–	–	347,288
Net loss for the period	–	–	–	–	(1,893,133)	(1,893,133)
Balance, May 31, 2021	60,977,058	14,182,356	1,638,239	–	(4,417,151)	11,403,444

The accompanying notes are an integral part of these condensed interim consolidated financial statements

GOLDEN INDEPENDENCE MINING CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
(Expressed in Canadian dollars) (Unaudited)

	Three months ended May 31, 2021	Three months ended May 31, 2020	Six months ended May 31, 2021	Six month ended May 31, 2020
CASH PROVIDED BY (USED IN):				
OPERATING ACTIVITIES				
Net loss for the period	$ (851,053)	$ (67,939)	$(1,893,133)	$ (96,146)
Items not involving cash:				
Stock - based payments	213,528	–	435,288	–
Advisory fee	90,000	–	90,000	–
	(547,525)	(67,939)	(1,367,845)	(96,146)
Changes in non-cash working capital balances:				
Amounts receivable	(27,154)	(3,059)	(55,659)	(2,818)
Prepaid expense	(162,647)	–	(77,135)	–
Accounts payable and accrued liabilities	343,292	14,862	59,567	13,382
Cash used in operating activities	(394,034)	(56,136)	(1,441,072)	(85,582)
INVESTING ACTIVITIES				
Acquisition and exploration costs	(863,303)	–	(6,919,025)	–
Cash used in by investing activities	(863,303)	–	(6,919,025)	–
FINANCING ACTIVITIES				
Issuance of common shares, net of costs	2,732,715	–	2,732,715	–
Exercise of warrants	119,814	–	2,976,239	–
Payment of earn-in option	–	–	2,360,575	–
Management bonus	–	–	192,500	–
Subscription receivable	(8,125)	–	–	–
Cash used in by financing activities	2,844,404	–	8,262,029	–
INCREASE (DECREASE) IN CASH DURING THE PERIOD	1,587,067	(56,136)	(96,068)	(85,582)
CASH, BEGINNING OF PERIOD	1,210,463	448,899	2,895,598	478,345
CASH, END OF PERIOD	$ 2,797,530	$ 392,763	$ 2,797,530	$ 392,763
SUPPLEMENTAL DISCLOSURES				
Interest paid	$ –	$ –	$ –	$ –
Income taxes paid	$ –	$ –	$ –	$ –

The accompanying notes are an integral part of these condensed interim consolidated financial statements

1. NATURE OF OPERATIONS

Golden Independence Mining Corp. (the “Company”) was incorporated on May 31, 2017 under the laws of British Columbia. The address of the Company’s corporate office and its principal place of business is 503-905 Pender St. W, Vancouver, British Columbia, Canada, V6C 1L6.

The Company’s principal business activities include the acquisition and exploration of mineral property assets. As at May 31, 2021, the Company had not yet determined whether the Company’s mineral property asset contains ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company’s ability to continue as a going concern.

The Company had a deficit of $4,417,151 as at May 31, 2021, which has been funded by the issuance of equity. The Company’s ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The impact on the Company is not currently determinable but management continues to monitor the situation.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance and functional currency

These condensed interim consolidated financial statements are prepared in accordance with IAS 34 Interim Financial Reporting (“IAS34”) using accounting policies consistent with the International Financial Reporting Standards (”IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). They do not include all financial information required for full annual financial statements and should be read in conjunction with the Audited Financial Statements of the Company for the year ended November 30, 2020.

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for financial instruments measured at fair value. These condensed interim consolidated financial statements are presented in Canadian dollars, which is also the functional currency of the Company.

The consolidated financial statements include the accounts and results of operations of the Company and its wholly owned subsidiaries Golden Independence Nevada Corp. which was incorporated under the Laws of The State of Nevada and Hilo Mining Corp. which was incorporated under the laws of British Columbia. All intercompany transactions, unrealized gains and balances have been eliminated on consolidation.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The financial statements were authorized for issue by the Board of Directors on July 30, 2021.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

These financial statements have been prepared using the following accounting policies:

Critical judgments in applying accounting policies

The critical judgments that the Company's management has made in the process of applying the Company's accounting policies with the most significant effect on the amounts recognized in the Company's financial statements are as follows:

a) *Going concern*
In preparing these financial statements on a going concern basis, as is disclosed in Note 1 of these financial statements, Management's critical judgment is that the Company will be able to meet its obligations and continue its operations for the next twelve months.

b) *Impairment of mineral properties*
Expenditures on mineral properties are capitalized. The Company makes estimates and applies judgment about future events and circumstances in determining whether the carrying amount of a mineral property exceeds its recoverable amount. The recoverability of amounts shown as mineral properties and deferred exploration costs is dependent upon the discovery of economically recoverable reserves, the Company's ability to obtain financing to develop the properties, and the ultimate realization of profits through future production or sale of the properties. Management reviews the carrying values of its mineral properties on an annual basis, or when an impairment indicator exists, to determine whether an impairment should be recognized. In making its assessment, management considers, among other things, exploration results to date and future exploration plans for a particular property. In addition, capitalized costs related to relinquished property rights are written off in the period of relinquishment. Capitalized costs in respect of the Company's mineral properties may not be recoverable and there is a risk that these costs may be written down in future periods.

Key sources of estimation uncertainty

The preparation of financial statements requires that the Company's management make assumptions and estimates of effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Actual future outcomes could differ from present estimates and assumptions, potentially having material future effects on the Company's financial statements. Estimates are reviewed on an ongoing basis and are based on historical experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

The significant assumptions about the future and other major sources of estimation uncertainty as at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of the Company's assets and liabilities are as follows:

(Expressed in Canadian dollars) (Unaudited)

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

   a) *Deferred income taxes*

Deferred income tax assets and liabilities are measured using enacted or substantively enacted tax rates at the reporting date in effect for the period in which the temporary differences are expected to be recovered or settled. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized as part of the provision for income taxes in the period that includes the enactment date. The recognition of deferred income tax assets is based on the assumption that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized.

4. ACCOUNTING STANDARDS AND AMENDMENTS ISSUED BUT NOT YET ADOPTED

There are no accounting pronouncements with future effective dates that are applicable or are expected to have a material impact on the Company's financial statements.

5. EXPLORATION AND EVALUATION ASSET

For the six-month period ended May 31, 2021 the Company incurred the following acquisition and exploration expenditures:

	Champ Property	Independence Property	Total
Acquisition Costs:	$	$	$
Balance, November 30, 2019	55,000	-	55,000
Cash	-	167,589	167,589
Shares issued	-	850,500	850,500
Balance, November 30, 2020	55,000	1,018,089	1,073,089
Cash	-	2,271,466	2,271,466
Payment of earn-in option	-	2,360,575	2,360,575
Balance, May 31, 2021	55,000	5,650,130	5,705,130
Exploration Costs:	$	$	$
Balance, November 30, 2019	168,127	-	168,127
Drilling and assay	-	327,693	327,693
Field work	-	161,056	161,056
Technical	20,372	101,963	122,335
Licensing	-	35,392	35,392
Travel	-	9,183	9,183
Exploration credit	(23,552)	-	(23,552)
Balance, November 30, 2020	164,947	635,287	800,234
Drilling and assay	-	1,371,685	1,371,685
Field work	-	279,928	279,928
Technical	16,284	265,651	281,935
Licensing	-	322,265	322,265
Travel	-	1,065	1,065
Additional land acquisition	-	25,441	25,411
Legal	-	4,664	4,664
Balance, May 31, 2021	181,231	2,905,986	3,087,217
Total, November 30, 2020	$ 219,947	$ 1,653,376	$ 1,873,323
Total, May 31, 2021	$ 236,231	$ 8,556,116	$ 8,792,347

5. EXPLORATION AND EVALUATION ASSET (continued)

Champ Property

Pursuant to an option agreement (the "Agreement") dated August 24, 2017, the Company was granted an option to acquire a 100% undivided interest in the Champ Property (the "Property") located in the Greenwood Mining District of British Columbia.

In accordance with the Agreement, the Company acquired a 100% undivided interest in the Property by issuing a total of 300,000 common shares of the Company and making a payment of $10,000.

The optionor retains a 2% Net Smelter Returns royalty on the Property. The Company has the right to purchase the first 1% of the royalty for $1,000,000 and the remaining 1% for $1,000,000 at any time during the five-year period starting from the date of commencement of commercial production.

On January 22, 2021, the Company's Board of Directors approved, in principle, a strategic reorganization of the Company's assets pursuant to which the Company would spin off its Champ precious metal property into a newly incorporation subsidiary ("SpinCo").

The Board of Directors of Golden Independence Mining Corp. ("Golden") has unanimously approved a statutory arrangement (the "Arrangement") where Golden will acquire 1,499,999 shares of Hilo in exchange for the mining claims representing the Champ exploration property. Golden will distribute 1,000,000 (66.67%) of the shares to the holders of Golden Common Shares, and Golden will continue to hold 500,000 (33.33%) of Hilo's shares.

Prior to distribution, Golden will transfer to Hilo its 100% interest in its mining claims representing the Champ exploration property located near Castlegar, British Columbia.

The purpose of the Arrangement and the related transactions is to reorganize Golden into two separate publicly traded companies: (a) Golden, which will be an exploration company focused on the advanced-stage Independence Gold Project located in Lander County, Nevada; and (b) Hilo, which will be an exploration company focused on the Champ precious metal property located in the Greenwood Mining District of British Columbia.

Independence Property

Pursuant to an option agreement (the "Option Agreement") dated August 28, 2020, the Company was granted an option to acquire up to a 75% interest in the Independence Gold Project (the "Property") located in Lander County, Nevada. The underlying option agreement dated February 3, 2017 is between Independence Gold and Silver Mines Inc. (the "Owner") and Americas Gold Exploration Inc. ("AGEI").

In accordance with the terms of the Option Agreement, the Company will be obligated to meet the following in accordance with the time periods set forth in the Option Agreement, in order to earn a 51% interest in the Project ("Initial Earn-In Option"):

a) Within 30 days of execution of the Option Agreement, issue 500,000 common shares to Americas Gold Exploration, Inc. **(ISSUED)**;
b) Within 30 days of execution of the Option Agreement pay US$50,000 to AGEI **(PAID)**;
c) Make cash payments totalling US$4,300,00 to the Owner as per the following schedule:

    i) Cash payment of US$75,000 to the Owner on or before August 31, 2020 **(PAID)**;
    ii) Cash payment of US$75,000 to the Owner on or before December 15, 2020 **(PAID)**;
    iii) Cash payment of US$75,000 to the Owner on or before June 1, 2021;
    iv) Cash payment of US$75,000 to the Owner on or before December 15, 2021;
    v) Cash payment of US$4,000,000 to the Owner on or before December 31, 2021;

5. EXPLORATION AND EVALUATION ASSET (continued)

In the event the Company makes the $4,000,000 cash payment due under 5(c)(v) on or before May 31, 2021, the cash payments set forth under Section 5(c)(iii) and 5(c)(iv) will no longer be required.

d) Incur expenditures of not less than US$3,000,000 as per the following schedule:

   i) Expenditures in the amount of at least US$1,250,000 on or before December 31, 2020, of which $350,000 must be incurred on or before October 31, 2020, subject to award of all necessary Permits and contractor availability **(PAID)**;
   ii) Expenditures in the amount of at least an additional US$1,750,000 on or before December 31, 2021.

In accordance with the terms of the Option Agreement, upon exercising the Initial Earn-In Option, a joint venture (the “Joint Venture”) will be formed. A Joint Venture Agreement will be negotiated and entered into by the Company and AGEI as soon as practicable thereafter, and in any event within thirty days of the exercise of the Initial Earn-In Option.

Upon formation of the Joint Venture, the Company will hold a 51% interest and AGEI will hold a 49% interest. For one year from the effective date of the Joint Venture Agreement, the Company will be entitled to provide AGEI with notice that it is exercising the option to acquire an additional 24% interest in the Property (the “Bump Up Option”). If AGEI does not reject the option or the Bump Up Option, the Company shall be entitled, for a period of four years from the date of the Bump-Up Option Notice of Intent, to acquire up to an additional 24% in the Joint Venture through the funding of up to US$10,000,000 in expenditures provided, for each US$1,000,000 of expenditures incurred by the Company during the Bump Up Option term, the Company shall be entitled to an additional 2.4% interest in the Joint Venture.

Upon the Company earning a 75% share in the Joint Venture, AGEI will be entitled to receive a 2% Net Smelter Returns royalty on the Property. The Company has the right to purchase the first 1% of the royalty for $1,000,000 and the remaining 1% for $1,000,000 at any time during the starting from the date of commencement of commercial production.

On January 25, 2021, the Company announced it had amended the terms of its option to acquire up to a 75% interest in the Property. Pursuant to the amending agreement, the original requirement to make a US$4,000,000 cash payment on or before December 31, 2021 was revised to require a cash payment of US$1,700,000 and the issuance of 4,900,000 common shares of the Company to the Owner on or before January 29, 2021. Upon final payment being made, AGEI will have earned its entitlement to the Property subject to a 2% NSR under the underlying option agreement.
In connection with the amending agreement, the Company also agreed to pay a consulting fee of US$50,000 in cash and issued 122,500 common shares.

On January 27, 2021, the Company issued 5,022,500 common shares of the Company and paid a total of US$1,750,000 pursuant to the amending agreement.

6. SHARE CAPITAL

a) Authorized:

The Company is authorized to issue an unlimited number of common shares without par value.

b) Escrow Shares:

The Company entered into an escrow agreement, whereby common shares will be held in escrow and are scheduled for release at 10% on the listing date and 15% on every six month from date of listing. At May 31, 2021, there were 225,000 common shares held in escrow.

c) Issued and Outstanding:

As at May 31, 2021 there were 60,977,058 common shares issued and outstanding.

For the six-month period ended May 31, 2021, the Company had the following share capital transactions:

i) The Company issued 10,849,124 common shares related to the exercise of warrants for gross proceeds of $2,990,515.
ii) The Company issued a management signing bonus of 350,000 shares to the newly appointed CEO of the Company.
iii) On January 27, 2021, the Company issued 5,022,500 common shares of the Company pursuant to the amending agreement as outlined in Note 5 above.
iv) On April 9, 2021, the Company closed a non-brokered private placement for gross proceeds of $2,792,000. The financing resulted in the issuance of 11,168,000 units at a price of $0.25 per unit. Each unit is comprised of one common share and one-half of one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share of the Company at a price of $0.42 per share for a period of two year from the date of issuance. In connection with the Placement, the Company paid aggregate cash finders' fees of $59,285 and issued an aggregate of 263,040 finder warrants to eligible finders, with the finders warrants having the same terms and conditions as the warrants.
v) On May 10, 2021, the Company entered into an engagement with Sprott Capital Partners LP pursuant to which Sprott has agreed to act as financial advisor to the Company. Under the terms of the Engagement Letter, the Company issued 300,000 common shares to Sprott as a work fee. The Company recorded an expense related to the transaction of $90,000 and included this fee on the statement of condensed interim consolidated statement of loss as consulting fees.

d) Stock options

On December 13, 2020, the Company granted 50,000 stock options to certain directors and officers of the Company at an exercise price of $0.55 for a period of five years. One quarter of the options will vest immediately upon issuance and the remaining options will vest quarterly over a nine-month period. The fair value of these options was calculated to be $27,097 and will be recognized as share-based payments on the Company's statement of Comprehensive Loss equally over the nine-month vesting period. The remaining expected life of the options granted December 13, 2020 as at May 31, 2021 is 4.54 years.

(Expressed in Canadian dollars) (Unaudited)

6. SHARE CAPITAL (continued)

Stock options (continued)

The inputs used in the Black-Scholes calculation for the options issued December 13, 2020 are as follows

	December 13, 2020
Share price	$0.55
Risk-free dividend rate	0.34%
Expected life of options	5
Dividend rate	0.00%
Annualized volatility	218%

On February 17, 2021, the Company granted 350,000 stock options to certain directors, officers and consultants of the Company at an exercise price of $0.35 for a period of five years. One quarter of the options will vest immediately upon issuance and the remaining options will vest quarterly over a nine month period. The fair value of these options was calculated to be $120,706 and will be recognized as share-based payments on the Company's statement of Comprehensive Loss equally over the nine-month vesting period. The remaining expected life of the options granted December 13, 2020 as at May 31, 2021 is 4.72 years.

	February 17, 2021
Share price	$0.35
Risk-free dividend rate	0.34%
Expected life of options	5
Dividend rate	0.00%
Annualized volatility	218%

A continuity of the options outstanding as at May 31, 2021 is as follows:

	Number	**Weighted average exercise price $**
Balance, November 30, 2019	665,000	0.15
Issued	2,685,000	0.46
Exercised	(75,000)	0.15
Balance, November 30, 2020	3,275,000	0.40
Issued, December 13, 2020	50,000	0.55
Issued, February 17, 2021	350,000	0.35
Expired, December 8, 2020	(150,000)	0.15
Expired, December 31, 2020	(250,000)	0.50
Expired, April 5, 2021	(365,000)	0.15
Expired, May 1, 2021	(60,000)	0.60
Balance, May 31, 2021	2,850,000	0.43

(Expressed in Canadian dollars) (Unaudited)

6. SHARE CAPITAL (continued)

e) Warrants

On April 9, 2021, the Company issued 5,584,000 warrants as part of a non-brokered private placement. Each warrant entitles the holder to purchase one additional common share of the Company at a price of $0.42 per share for a period of two year from the date of issuance. In addition, the Company also issued an aggregate of 263,040 finder warrants to eligible finders, with the finders warrants having the same terms and conditions as the warrants.

The inputs used in the Black-Scholes calculation for the 263,040 brokers warrants issued April 9, 2021 are as follows:

	April 9, 2021
Share price	$0.42
Risk-free dividend rate	0.40%
Expected life of warrants	2
Dividend rate	0.00%
Annualized volatility	218%

A continuity of the warrants outstanding as at May 31, 2021 is as follows:

	Number	**Weighted average exercise price $**
Balance, November 30, 2019	7,271,087	0.08
Expired	(203,040)	0.15
Issued	7,605,583	0.42
Exercised	(1,856,865)	(0.08)
Balance, November 30, 2020	12,816,765	
Exercised, $0.42 warrants	(6,268,274)	(0.42)
Exercised, $0.08 warrants	(4,689,182)	(0.08)
Expired, $0.42 warrants	(1,337,309)	(0.42)
Expired, $0.08 warrants	(522,000)	(0.08)
Issued, $0.42 warrants	5,847,000	0.42
Balance, May 31, 2021	5,847,000	0.42

A listing of warrants outstanding as at May 31, 2021 is as follows:

Expiry Date	**Number**	**Weighted average exercise price**	**Weighted average years outstanding**
May 31, 2021	5,847,000	$0.42	1.86
Total	5,847,000		1.86

(Expressed in Canadian dollars) (Unaudited)

7. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The Company has incurred the following key management personnel cost from related parties:

	Six-month period ended May 31, 2021	**Six-month period ended May 31, 2020**
	$	$
Management fees	153,000	21,000
Share-based payments	223,177	–
Geological fees	253,367	–
Total	629,544	21,000

Key management includes directors and key officers of the Company, including the President, Chief Executive Officer and Chief Financial Officer.

As at May 31, 2021, included in the accounts payable was an amount of $5,000 (2020 - $Nil) due to the COO of the Company, $15,255 (2020 - $Nil) due to the CEO of the Company, and $50,528 due to Donald McDowell, a director of the Company (2020 - $NIL).

On December 11, 2020, the Company issued 350,000 shares to the CEO as payment of the management bonus accrued on November 30, 2020.

8. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Fair Value of Financial Instruments

The Company's financial assets include cash and is classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's Statement of Financial Position as at May 31, 2021 are as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	$	$	$	$
Cash	2,797,530	–	–	2,797,530

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at May 31, 2021 because of the demand nature or short - term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short - term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

10. CONTINGENT LIABILITY

On April 30, 2021, the Company received a copy of a civil complaint filed April 19, 2021 in a state court in Reno, Nevada on behalf of plaintiffs Brian Nordwall and Independent Gold-Silver Mines, Inc. The Company and its CEO, Christos Doulis, are named as defendants. The lawsuit follows the amendment of the Option to purchase the Independence project and the subsequent purchase on January 22, 2021 by the Company's joint venture partner Americas Gold Exploration Inc. of unpatented mining claims in Lander County, Nevada. As part of the consideration for the purchase, Mr. Nordwall and Independent Gold-Silver Mines, Inc. each received Company shares as outlined in Note 5 above. The plaintiffs complain that while they agreed upon an amount of Company shares each of them would receive, they should have received more shares, because the Company and Mr. Doulis did not notify them of an impending decline in the market value of the shares. The Company and Mr. Doulis deny the allegations. At this time, the Company has not recognized a contingent liability associated with the suit as the probability of payment remains undeterminable and the amount can not be reliably estimated.

11. SUBSEQUENT EVENTS

On June 9, 2021, the Company announced it had completed a non-brokered private placement financing and had issued 1,728,864 common shares at a price of $0.29 per common share for gross proceeds of $501,370.56. In connection with the placement, the Company paid cash finder's fees and has issued an aggregate of 49,998 finder's warrants. Each warrant is exercisable for one common share at an exercise price of $0.29 for 18 months.